

FISCAL NOTE

Bill #: SB0344

Title: Increase rate for school
Transportation contracts

**Primary
Sponsor:** John Cobb

Status: Second Reading

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
Expenditures:		
General Fund	\$57,457	\$57,457
Net Impact on General Fund Balance:	(\$57,457)	(\$57,457)

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached		X	Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

1. There are 1,880 individual transportation contracts each year between parents and school districts statewide. The students from each family are placed on a single contract, and the parent receives a daily reimbursement for each day at least one of the students in the family is transported.
2. Mileage from the student's home to the nearest school or bus stop, less 3 miles each direction, is reimbursed. (20-10-142)
3. If the daily rate for a contract exceeds the amount the parent could claim for the statutory room and board rate, only the room and board rate will be paid for each day the student attends school. (20-10-142)
4. Contracts approved under "Isolation" conditions (e.g., where roads are impassable for significant portions of the year except with 4 wheel drive vehicles or snowmobiles, or where distances are very great due to placement in other towns for day treatment or other special education services) are not capped at the room and board rates. (20-10-142(3))

(continued)

5. Contracts are paid for 180 days of attendance.
6. The state pays one half of the total mileage reimbursement for each contract, and county where the district is located pays the other half using a permissive countywide transportation levy.
7. At current rates, the daily rate for all contracts in all schools statewide is \$4,210. Although potentially the payment would cover 180 days of school, the actual payments are about 88.3% of the total because of student absences and partial year contracts, etc. Therefore, the state and counties each pay \$334,569 ($\$4,210 \times 180 \text{ days} \times 88.3\% \times 50\%$) annually, for a total of \$669,138 under current law.
8. Using the SB 344 rates, the daily rate for all contracts in all schools statewide is \$4933. The state and county will each pay \$392,026 ($\$4,933 \times 180 \text{ days} \times 88.3\% \times 50\%$) annually, for a total of \$784,052.
9. The annual state payment will increase \$57,457 ($\$392,026 - 334,569$), and the payments by counties statewide will increase by the same amount.

FISCAL IMPACT:

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
<u>Expenditures:</u>		
Flow Through to Schools	\$57,457	\$57,457
<u>Funding:</u>		
General Fund (01)	\$57,457	\$57,457
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
General Fund (01)	(\$57,457)	(\$57,457)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Counties statewide will pay an additional \$57,457 each year to match the state's increased payments